



## **SOUTH FLORIDA WATER MANAGEMENT DISTRICT**

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MGT 08-06F

### **MEMORANDUM**

**To:** Governing Board Members

**From:** Allen Vann, Inspector General, Office of Inspector General

**Date:** October 2, 2000

**Subject:** Follow-up of Interim Study of Span of Control Report # 99-28, dated December 21, 1999

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This memo summarizes the results of our follow-up of the recommendations contained in the subject report presented to the Governing Board in January 2000. Our study was performed in order to provide baseline information about the District organizational structure and to advise management on current practices. We reported that the District span of control was much lower than the benchmarks and practices reported in management literature, and that the layers of management and supervision are higher than recommended. Consequently, we recommended that District management set targets for spans of control, establish ranges and targets for organizational units' spans of control, define value added by Agency layers, and set an Agency maximum. To assist in accomplishing this we encouraged management to distinguish responsibilities of managers and non-managers and assign authority and responsibility for managing organization structure. Management agreed to implement the six recommendations contained in our report.<sup>1</sup>

Our follow-up was based on studying the most current available organizational charts dated July 15, 2000, reviewing personnel records, and extensive discussions with executive management and senior Human Resources Department staff.

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<sup>1</sup>

Recently, the Executive Director provided us with a report dated August 1, 2000 prepared by Ernst & Young LLP for the St. Johns River Water Management District. Their findings were strikingly similar to ours; an organizational structure that was traditionally hierarchical and heavily dependent on line authority. They concluded: "While most organizations have reduced supervisory ratios and structural levels, the District [St. Johns] continues a very heavy middle management model with an extremely narrow supervisory level."

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Frank R. Finch, P.E., *Executive Director*  
James E. Blount, *Chief of Staff*

**Follow-up of Interim Study  
of Span of Control Report  
January 10, 2001  
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The District's span of control has improved significantly since our study was conducted. The ratio of staff to supervisors has risen from a low of 4.2 to 5.7, a 36% improvement. This is due to the reduction in supervisory staff by a total of 65 people (9 fewer managers and 56 fewer supervisors) and a corresponding increase in the staff level of employees by 139. District executives have had greater success reducing the numbers of supervisors, down by 22%, than managers, down only 9% (see Attachment 1).

Despite improvements in span of control, layers of management do not appear to have improved. Our study had reported a maximum of 7 levels of management. Management responded by setting a goal of 5 levels. Our follow-up discloses that layers of management vary from 3 to as high as 8 (see Attachments 2 & 3). In order to achieve management's goal, the number of managers will have to decrease further. For example, we identified twelve managers who occupy Deputy Division and Deputy Department type positions. With only one exception, their job descriptions are almost identical to their direct supervisors and they serve as the sole intermediary between their supervisor and the next level of subordinate supervisors. These are ostensibly in larger divisions/departments where they assist in managing mission critical elements. Nevertheless, this extra level of management adds \$1.1 million dollars to the annual cost of operating the District, increases the layers of management by one, and increases span of control by an additional 5%. In addition to reducing costs, further delayering of management can improve communications, improve timely completion of work products, reduce bureaucracy, and improve customer satisfaction.

A summary of the status of the six recommendations made in our earlier report is contained in Attachment 4 along with other documents provided by management.

We will present these follow-up findings at our next Audit Committee meeting scheduled to coincide with the December workshop. Until then, should you have any questions or require any further details feel free to call me at (561) 682-6220.

**Attachments**

c:	Frank Finch	Jock Merriam
	John Fumero	Joe Schweigart
	James Blount	Joseph Taylor
	Naomi Duerr	Sandra Turnquest

## Attachment 1

### South Florida Water Management District Span of Control IG Follow-up Review<sup>1</sup>

	Managers	Supervisors	Subtotal	Employees	Total	Actual Number of Reporting Levels from Supervisor(s) to Exec. Dir.	Average Number of Employees Reporting to Managers & Supervisor(s)
Water Resource Operations	27	41 1/2	68 1/2	545	613 1/2	3 to 6	8.0
Water Resource Management	26	72	98	469 1/4	567 1/4	5 to 7	4.8
Corporate Resources	17	55	72	384 1/2	456 1/2	3 to 8	5.3
Counsel	2	4	6	49	55	3 to 4	8.2
Everglades Construction	4	6	10	40	50	3 to 4	5.7
Inspector General	1	0	1	6	7	1	6.0
Executive Office/Ombudsman/Big Cypress	14	15	29	132	161	3 to 5	4.6
<b>Current Totals</b>	<b>91</b>	<b>193 1/2</b>	<b>284 1/2</b>	<b>1625 3/4</b>	<b>1910 1/4</b>	<b>3 to 8</b>	<b>5.7</b>
<b>Inspector General's Study<sup>2</sup></b>	<b>100</b>	<b>249 1/2</b>	<b>349 1/2</b>	<b>1486 1/2</b>	<b>1836</b>	<b>7</b>	<b>4.2</b>
<b>Increase (Decrease)</b>	<b>-9</b>	<b>-56</b>	<b>-65</b>	<b>139 1/4</b>	<b>74 1/4</b>		
<b>Percent</b>	<b>-9%</b>	<b>-22%</b>	<b>-19%</b>	<b>9%</b>	<b>4%</b>		<b>36%</b>

<sup>1</sup> The most current available organizational charts available from the Human Resources Department were dated 7/15/00.

<sup>2</sup> The original IG study was based on 1/99 data.

## Attachment 2

### South Florida Water Management District Maximum Layers of Management

	Supervisory Levels		Managerial Layers					
	Supervisors	Supervisors	Deputy Department Directors/ Managers	Department Directors	Deputy Division Directors	Division Directors	Deputies & Chief of Staff	Governing Board Reports: Executive Director, etc.
Corporate Resources	1	2	3	4	5	6	7	8
Water Resources Management	1	2		3	4	5	6	7
Water Resources Operations	1		2	3		4	5	6
Service Centers	1	2		3			4	5
Big Cypress Basin	1			2		3		4
Office of Everglades Construction Project	1			2			3	4
Office of Counsel	1						2	3
Executive Office	1							2
Ombudsman								1
Office of Inspector General								1

<sup>1</sup> Layers of management and supervision were counted from the bottom up, starting with the first employee having one or more direct reports up to, and including, Governing Board Reports: Executive Director, Counsel, Ombudsman & Inspector General.

## Attachment 3

### South Florida Water Management District

#### Layers of Management

Levels		BEST (3 levels)	Optimal (5 levels)	Less Than Optimal (7 Levels)	Least Optimal (8 levels)
		<i>Palm Beach County Service Center</i>	<i>Operations: Vegetation and Land Management Division</i>	<i>Water Resource Management: System Wide Accountability</i>	<i>Corp. Resources: Environmental Monitoring and Assessment Division</i>
Managers	8				Executive Director
	7			Executive Department Director	Deputy Executive Director
	6			Deputy Executive Director	Division Director
	5		Executive Director	Division Director	Deputy Division Director
	4		Deputy Executive Director	Deputy Division Director	Director
	3	Executive Director	Division Director	Director	Manager, Field Operations
Supervisors	2	Chief of Staff	Deputy Director	Senior Supervising Planner	Senior Field Operations Supervisor
	1	Service Center Director	Senior Regulatory Supervisor	Senior IT Project Management Analyst	Senior Supervisor Scientific Associate
Staff	0	Lead Planner	Senior Engineering Associate	Senior Tech Support Associate	Staff Scientific Associate